United Nations A/55/664/Add.1

General Assembly

Distr.: General
1 June 2001

Original: English

Fifty-fifth session
Agenda item 134

Financing of the United Nations Transitional Administration in East Timor

Report of the Fifth Committee

Rapporteur: Mr. Eduardo Manuel da Fonseca Fernandes **Ramos** (Portugal)

I. Introduction

1. The previous recommendation made by the Fifth Committee to the General Assembly under agenda item 134 appears in the report of the Committee contained in document A/55/664.

2. The Fifth Committee resumed its consideration of the item at its 58th, 59th, 66th and 67th meetings, on 7, 8, 24 and 25 May 2001. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/55/SR.58, 59, 66 and 67).

3. For its further consideration of the item, the Committee had before it the report of the Secretary-General on the financial performance of the United Nations Transitional Administration in East Timor for the period from 1 December 1999 to 30 June 2000 (A/55/925) and the related reports of the Advisory Committee on Administrative and Budgetary Questions (A/55/874 and A/C.5/55/SR.58).

II. Consideration of draft resolution A/C.5/55/L.89

4. At the 67th meeting, on 25 May, the representative of India, Vice-Chairman of the Committee and coordinator of informal consultations on this item, introduced a draft resolution entitled "Financing of the United Nations Transitional Administration in East Timor" (A/C.5/55/L.89).

5. At the same meeting, the Committee adopted draft resolution A/C.5/55/L.89 without a vote (see para. 6).

01-39472 (E) 050601

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the United Nations Transitional Administration in East Timor

The General Assembly,

Having considered the report of the Secretary-General on the financing of the United Nations Transitional Administration in East Timor[1] and the related reports of the Advisory Committee on Administrative and Budgetary Questions,[2]

Bearing in mind Security Council resolutions 1272 (1999) of 25 October 1999 regarding the establishment of the United Nations Transitional Administration in East Timor and 1338 (2001) of 31 January 2001, by which the Council extended the mandate of the Transitional Administration,

Recalling its resolution 54/246 A of 23 December 1999 on the financing of the Transitional Administration and its subsequent resolutions thereon, the latest of which was resolution 55/228 of 23 December 2000,

Reaffirming the general principles underlying the financing of United Nations peacekeeping operations, as stated in General Assembly resolutions 1874 (S-IV) of 27 June 1963, 3101 (XXVIII) of 11 December 1973 and 55/235 of 23 December 2000,

Noting with appreciation that voluntary contributions have been made to the trust fund for the multinational force,

Also noting with appreciation that voluntary contributions have been made to the Trust Fund for the United Nations Transitional Administration in East Timor, and inviting further such contributions to the Fund,

Mindful of the fact that it is essential to provide the Transitional Administration with the necessary financial resources to enable it to fulfil its responsibilities under the relevant resolutions of the Security Council,

1. *Reaffirms* its resolution 49/233 A of 23 December 1994, in particular those paragraphs regarding the peacekeeping budgetary cycles, which should be adhered to in the future budgetary process, where possible;

2. *Takes note* of the status of contributions to the United Nations Transitional Administration in East Timor as at 30 April 2001, including the contributions outstanding in the amount of 315.9 million United States dollars, representing some 35 per cent of the total assessed contributions from the inception of the Transitional Administration to the period ending 30 June 2001, notes that some 12 per cent of the Member States have paid their assessed contributions in full,

---

[1] A/55/925.

[2] A/55/874. See also *Official Records of the General Assembly, Fifty-fifth Session, Fifth Committee*, 58th meeting (A/C.5/55/SR.58).

and urges all other Member States concerned, in particular those in arrears, to ensure the payment of their outstanding assessed contributions;

3. *Expresses its appreciation* to those Member States which have paid their assessed contributions in full;

4. *Expresses concern* about the financial situation with regard to peacekeeping activities, in particular as regards the reimbursements to troop contributors that bear additional burdens owing to overdue payments by Member States of their assessments;

5. *Urges* all other Member States to make every possible effort to ensure payment of their assessed contributions to the Transitional Administration in full and on time;

6. *Expresses concern* at the delay experienced by the Secretary-General in deploying and providing adequate resources to some recent peacekeeping missions, in particular those in Africa;

7. *Emphasizes* that all future and existing peacekeeping missions shall be given equal and non-discriminatory treatment in respect of financial and administrative arrangements;

8. *Also emphasizes* that all peacekeeping missions shall be provided with adequate resources for the effective and efficient discharge of their respective mandates;

9. *Reiterates its request* to the Secretary-General to make the fullest possible use of facilities and equipment at the United Nations Logistics Base at Brindisi, Italy, in order to minimize the costs of procurement for the Transitional Administration;

10. *Endorses* the conclusions and recommendations contained in the reports of the Advisory Committee on Administrative and Budgetary Questions,[3] and requests the Secretary-General to ensure their full implementation;

11. *Requests* the Secretary-General to take all necessary action to ensure that the Transitional Administration is administered with a maximum of efficiency and economy;

12. *Also requests* the Secretary-General, in order to reduce the cost of employing General Service staff, to continue efforts to recruit local staff for the Transitional Administration against General Service posts, commensurate with the requirements of the Transitional Administration;

13. *Approves*, on an exceptional basis, the special arrangements for the Transitional Administration with regard to the application of article IV of the financial regulations of the United Nations, whereby appropriations required in respect of obligations owed to Governments providing contingents and/or logistic support for the Transitional Administration shall be retained beyond the period stipulated under financial regulations 4.3 and 4.4, as set out in the annex to the present resolution;

[3] A/55/874, para. 10 (d). See also *Official Records of the General Assembly, Fifty-fifth Session, Fifth Committee*, 58th meeting (A/C.5/55/SR.58).

14. *Authorizes* the Secretary-General to enter into commitments in the amount of 282 million dollars gross (273,025,800 dollars net) for the maintenance of the Transitional Administration for the period from 1 July to 31 December 2001, and decides to appropriate the amount of 17,027,947 dollars gross (14,943,699 dollars net) for the support account for peacekeeping operations and the amount of 1,778,786 dollars gross (1,597,340 dollars net) for the United Nations Logistics Base, representing the prorated share of the Transitional Administration in the support account and Logistics Base requirements for the period from 1 July 2001 to 30 June 2002;

15. *Decides* to apportion among Member States the amount of 282 million dollars gross (273,025,800 dollars net) for the period from 1 July to 31 December 2001 in accordance with the levels set out in General Assembly resolution 55/235, as adjusted by the Assembly in its resolution 55/236 of 23 December 2000, and taking into account the scale of assessments for the year 2001, as set out in its resolution 55/5 B of 23 December 2000;

16. *Decides also* that, in accordance with the provisions of its resolution 973 (X) of 15 December 1955, there shall be set off against the apportionment among Member States, as provided for in paragraph 15 above, their respective share in the Tax Equalization Fund of the estimated staff assessment income of 8,974,200 dollars approved for the Transitional Administration for the period from 1 July to 31 December 2001;

17. *Decides further* to apportion among Member States the amount of 17,027,947 dollars gross (14,943,699 dollars net) for the support account for peacekeeping operations and the amount of 1,778,786 dollars gross (1,597,340 dollars net) for the United Nations Logistics Base for the period from 1 July 2001 to 30 June 2002 in accordance with paragraph 15 above, and taking into account the scale of assessments for the years 2001 and 2002, as set out in General Assembly resolution 55/5 B, the scale of assessments for the year 2001 to be applied against a portion thereof, that is, 8,513,974 dollars gross (7,471,850 dollars net) for the support account for peacekeeping operations and 889,393 dollars gross (798,670 dollars net) for the United Nations Logistics Base for the period from 1 July to 31 December 2001, and the scale of assessments for the year 2002 to be applied against the balance, that is, 8,513,973 dollars gross (7,471,849 dollars net) for the support account for peacekeeping operations and 889,393 dollars gross (798,670 dollars net) for the United Nations Logistics Base for the period from 1 January to 30 June 2002;

18. *Decides* that, in accordance with the provisions of its resolution 973 (X), there shall be set off against the apportionment among Member States, as provided for in paragraph 17 above, their respective share in the Tax Equalization Fund of the estimated staff assessment income of 2,084,248 dollars for the support account for peacekeeping operations and 181,446 dollars for the United Nations Logistics Base approved for the period from 1 July 2001 to 30 June 2002, 1,042,124 dollars, for the support account for peacekeeping operations and 90,723 dollars for the United Nations Logistics Base being amounts pertaining to the period from 1 July to 31 December 2001 and the balance, that is, 1,042,124 dollars, for the support account for peacekeeping operations and 90,723 dollars for the United Nations Logistics Base pertaining to the period from 1 January to 30 June 2002;

19. *Decides also* that, for Member States that have fulfilled their financial obligations to the Transitional Administration, there shall be set off against the

apportionment, as provided for in paragraph 15 above, their respective share of the unencumbered balance of 57,990,000 dollars gross (53,116,100 dollars net) in respect of the period ending 30 June 2000, in accordance with the composition of groups set out in paragraphs 3 and 4 of General Assembly resolution 43/232 of 1 March 1989, as adjusted by the Assembly in subsequent relevant resolutions and decisions, for the ad hoc apportionment of peacekeeping appropriations, the latest of which were resolution 52/230 of 31 March 1998 and decisions 54/456 to 54/458 of 23 December 1999 for the period 1998-2000 and taking into account the scale of assessments for the year 2000, as set out in its resolutions 52/215 A of 22 December 1997 and 54/237 A of 23 December 1999;

20. *Decides further* that, for Member States that have not fulfilled their financial obligations to the Transitional Administration, their respective share in the unencumbered balance of 57,990,000 dollars gross (53,116,100 dollars net) in respect of the period ending 30 June 2000 shall be set off against their outstanding obligations in accordance with the scheme set out in paragraph 19 above;

21. *Emphasizes* that no peacekeeping mission shall be financed by borrowing funds from other active peacekeeping missions;

22. *Encourages* the Secretary-General to continue to take additional measures to ensure the safety and security of all personnel under the auspices of the United Nations participating in the Transitional Administration;

23. *Invites* voluntary contributions to the Transitional Administration in cash and in the form of services and supplies acceptable to the Secretary-General, to be administered, as appropriate, in accordance with the procedure and practices established by the General Assembly;

24. *Decides* to include in the provisional agenda of the fifty-sixth session the item entitled "Financing of the United Nations Transitional Administration in East Timor".

Annex

Special arrangements with regard to the application of article IV of the financial regulations of the United Nations

1. At the end of the twelve-month period provided for in financial regulation 4.3, any unliquidated obligations of the financial period in question relating to goods supplied and services rendered by Governments for which claims have been received or which are covered by established reimbursement rates shall be transferred to accounts payable; such accounts shall remain recorded in the Special Account for the United Nations Transitional Administration in East Timor until payment is effected.

2. In addition:

(a) Any other unliquidated obligations of the financial period in question owed to Governments for provision of goods and services rendered but not yet verified, as well as other obligations owed to Governments, for which claims have not yet been received shall remain valid for an additional period of four years following the end of the twelve-month period provided for in financial regulation 4.3;

(b) Claims received during this four-year period as well as approved verification reports shall be treated as provided for under paragraph 1 of the present annex, if appropriate;

(c) At the end of the additional four-year period, any unliquidated obligations shall be cancelled and the then remaining balance of any appropriations retained therefore shall be surrendered.